

# ***CHESTERFIELD COUNTY***

## ***BUDGET PROCESS***

The development of Chesterfield County's budget begins each year in October and continues through the final budget adoption in April (see Budget Calendar). The process is designed to incorporate a rigorous internal review of each department's budget and to allocate resources across departmental programs based on a thorough examination of program alternatives and justifications. Each activity funded is reviewed by the county's budget staff, the County Administrator, and the Board of Supervisors.

By (or not later than) March 15, the County Administrator submits a proposed operating budget for the fiscal year commencing July 1st to the Board of Supervisors. This operating budget includes proposed expenditures and the revenue sources needed to finance them. A public hearing and Board of Supervisor constituent meetings are conducted in March and April to inform residents about the proposed budget and to gather taxpayer input to guide spending decisions.

Prior to May, the Board of Supervisors makes its final revisions to the proposed budget and adopts the budget by resolution. Funds are appropriated generally by category through the Board of Supervisor's passage of an appropriations resolution. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles applicable to governmental units. Budgeted amounts reflected in the financial statements are as originally adopted, or as amended by the County Administrator or Board of Supervisors.

Appropriations for the general fund, school fund, internal service funds, and enterprise funds lapse at fiscal year end. Appropriations for capital project funds and grant funds are continued until the completion of the applicable project or grant, even when the project or grant extends beyond the end of the fiscal year.

The County Administrator is authorized to amend appropriations by transferring unencumbered amounts within appropriation categories, or by transferring up to \$20,000 between categories. The County Administrator is also authorized to appropriate any unanticipated revenues that are received from insurance recoveries or from reimbursements made to the county for property damage. The County Administrator may appropriate revenues and increase expenditures for funds received by the county from asset forfeitures for operating expenses directly related to drug enforcement. During the fiscal year, the County Administrator may increase the general fund transfer to the school operating fund, contingent upon availability of funding, up to the \$4.5 million which is withheld from the adopted appropriation. Otherwise, amendments that alter the total appropriation of any fund must be approved by the Board of Supervisors.

During the year, the Board of Supervisors may approve amendments to original appropriations, primarily as a result of various federal and state grant awards. Any appropriation during the year that would increase the total budget by more than \$500,000 can be approved only after holding a public hearing on the proposed amendment. The County Administrator is authorized to reallocate funding sources for capital projects,

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including bond interest earnings to minimize arbitrage rebates and penalties. The County Administrator is also authorized to transfer among appropriation categories funds associated with implementation of the Comprehensive Services Act for at risk youth and families as well as transfer funds necessary for compliance with the Americans with Disabilities Act.